



CITY OF FLINT

Dayne Walling
Mayor

June 3, 2013

TESTIMONY FROM MAYOR DAYNE WALLING (CITY OF FLINT)

Michigan House Committee on Regulatory Reform

Rep. Hugh D. Crawford, Chair

Date: Tuesday, June 04, 2013

Time: 9:00 a.m.

Place: Room 521, House Office Building, Lansing, MI

RELATED TO AGENDA ITEMS INCLUDING:

HB 4593 (Muxlow) Occupations; junk and secondhand dealers; nonferrous metal regulatory act; expand to include other scrap metal and scrap metal dealers.

HB 4594 (Tlaib) Occupations; junk and secondhand dealers; nonferrous metal regulatory act; extend to other scrap metal and scrap metal dealers.

HB 4595 (Ananich) Crimes; larceny; stealing nonferrous metals; expand to prohibit stealing of other scrap metal.

Dear Mr. Chairman and Representatives,

Scrapping has become an epidemic in Flint and is currently resulting in large losses to our local businesses, homeowners, landlords, and churches. The losses include a heightened perception of crime and abandonment that are evident in crime statistics, but there are also direct and indirect economic losses.

On behalf of the City of Flint and our businesses, customers and residents, I urge you to support HB 4593, HB 4594, HB 4595.

Here is an example of why something has to be done. One local Flint company, a car dealership, has been hit multiple times in the past two years. The company is losing over \$10,000 per year in stolen or damaged property such as car batteries. The replacement costs, including personnel and labor, go well beyond this figure.

There are additional costs to this epidemic. The same company is now paying for outside private security and surveillance. Finally, the company is taking time to move inventory inside at various intervals to limit the exposure to scrappers.

These are added expenses for businesses that are trying to maintain their inventories in the current regulatory and enforcement situation.

Under the threat of scrapping, it is harder for the City of Flint to recruit new businesses and encourage new investment by existing businesses. We understand that new regulations will add burdens but the current situation is exacting a much larger and unfair burden on businesses and their customers—who are the ones paying the cost ultimately. Whether it is increased costs at a car dealer or one a house or commercial property, people are paying more because of this epidemic.

The City of Flint has attempted to put in place new ordinances, a special investigative police unit, City Attorney office resources, and a network of volunteers that are working to protect their communities and properties. We have recognized that State action is necessary to reduce the threat and costs associated with illegal scrapping and ensure that offenders can not simply drive farther to another recycling facility that is not bound by City ordinances.

Again, on behalf of the City of Flint and our businesses, customers and residents, I urge you to support HB 4593, HB 4594, HB 4595.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Dayne Walling", with a long horizontal flourish extending to the right.

Dayne Walling
Mayor, City of Flint